

July 29, 2003



JOINT MEETING OF THE RETIREMENT BOARDS

The Employees and Fire and Police Retirement Boards met in a joint session in Meeting Room A, 2nd Floor, City Hall, 2600 Fresno Street, Fresno, California at the hour of 2:15 p.m. on the day above written.

Roll Call at 2:19 p.m.

Present for the Employees Retirement Board:

William Quick	Chair
Carla Lombardi	Vice-Chair
Frank Balekian	Member
Darrell Fifield	Member
Marvell French	Member

Present for the Fire and Police Retirement Board:

Brian Burry	Chair
Darrell Fifield	Vice Chair
Carla Lombardi	Member
Paul Cliby	Member
Stephen Guinn	Member

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APPROVE MINUTES OF THE **JOINT
RETIREMENT BOARD** FOR JUNE 11,
2003, REGULAR JOINT MEETING.

ON MOTION of Member Guinn seconded by Member Cliby, duly carried, RESOLVED to approve the minutes of the **Joint Retirement Boards** for June 11, 2003, Regular Joint meeting, hereby approved by the following vote:

Ayes:	Burry, Fifield, Cliby, Guinn, Lombardi
Noes:	None
Abstain:	None
Absent:	None

ON MOTION of Member Balekian seconded by Member French, duly carried, RESOLVED to approve the minutes of the **Joint Retirement Boards** for June 11, 2003, Regular meeting, hereby approved by the following vote:

Ayes:	Quick, Lombardi, Balekian, Fifield, French
Noes:	None
Abstain:	None
Absent:	None

APPROVE AGENDA OF JUNE 11, 2003

Upon call and hearing no objection, agenda is approved as presented.

TIMED SCHEDULED HEARINGS AND MATTERS

None.

CONSENT CALENDAR

CONFIRM DATE AND TIME FOR THE NEXT
REGULAR JOINT MEETING OF THE
RETIREMENT BOARDS SCHEDULED FOR
2:15 P.M. ON AUGUST 13, 2003, FRESNO
CITY HALL, 2600 FRESNO STREET,
MEETING ROOM 2165-A

CONFIRM DATE AND TIME OF THE NEXT
INVESTMENT COMMITTEE MEETING
SCHEDULED FOR 1:30 PM TO 3:30 P.M.,
AUGUST 21, 2003, FRESNO CITY HALL,
2600 FRESNO STREET, MEETING ROOM
2165-A

CONFIRM DATE AND TIME FOR THE NEXT
ADMINISTRATIVE COMMITTEE MEETING
SCHEDULED FOR 9:00 A.M. TO 12:00
P.M., AUGUST 5, 2003, FRESNO CITY
HALL, 2600 FRESNO STREET, MEETING
ROOM 2165-A

APPROVE MONTHLY BUDGET REPORTS OF
THE RETIREMENT ADMINISTRATIVE
OFFICE FOR MAY 2003

ON MOTION of Member Balekian seconded by Member French, duly carried, RESOLVED
to approve the consent calendar, hereby approved by the following vote:

Ayes:	Quick, Lombardi, Balekian, Fifield, French
Noes:	None
Abstain:	None
Absent:	None

ON MOTION of Member Cliby seconded by Member Lombardi, duly carried, RESOLVED
to approve the consent calendar, hereby approved by the following vote:

Ayes:	Burry, Fifield, Cliby, Guinn, Lombardi
Noes:	None
Abstain:	None
Absent:	None

EMPLOYEE PERSONNEL ISSUES

None.

STAFF INITIATED ITEMS

None.

BOARD INITIATED ITEMS

CONSIDER RECOMMENDATION FROM THE ADMINISTRATIVE COMMITTEE TO RENEW AGREEMENT FOR LEGAL SERVICES WITH SALTZMAN AND JOHNSON LAW CORPORATION.

Administrator McDivitt reviewed the agreement and the Committee's recommendation as submitted.

ON MOTION of Member Balekian seconded by Member Fifield, duly carried, RESOLVED to renew agreement for legal services with Saltzman and Johnson Law Corporation, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Cliby seconded by Member Fifield, duly carried, RESOLVED to renew agreement for legal services with Saltzman and Johnson Law Corporation hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

CONSIDER REPORT FROM BOARD COUNSEL REGARDING DEFENSE AND INDEMNIFICATION OF RETIREMENT BOARD MEMBERS BY THE CITY OF FRESNO.

Legal Counsel reviews report as submitted that outlines the Boards statutory protection, whether or not the Boards want fiduciary liability insurance, protection from the City with the consequence of State law and its codification, it's limitations, and prerequisites, when an Attorney is assigned to you, judgment as a Board member, immunity of discretionary acts, and further reported that he has asked the City Attorney's Office if they agree, but no response has been received and responded to questions from Member Burry.

CONSIDER REPORT FROM BOARD
COUNSEL REGARDING THE USE OF
ACTUARIAL SURPLUS TO REDUCE CITY
CONTRIBUTIONS.

Legal Counsel reviewed report and his analysis as submitted and reviewed by the Administrative Committee. Member Balekian spoke in opposition to legal counsel's analysis, brief discussion followed with Members Burry and Lombardi responding in support of the analysis and Legal Counsel is commended for his report.

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CONSIDER RECOMMENDATION FROM THE
ADMINISTRATIVE COMMITTEE TO
ACCEPT PROPOSAL FROM LEVI, RAY &
SHOUP TO MODIFY THE ANNUAL
SOFTWARE MAINTENANCE FEE FOR THE
PENSIONGOLD SYSTEM.

Administrator McDivitt reviews the proposal as submitted, stating that rates are unusually low and reports the Committee's recommendation. Chair Burry responds to ask for staff's opinion. Brief discussion follows.

ON MOTION of Member French seconded by Member Lombardi, duly carried, RESOLVED to approve proposal from Levi, Ray and Shoup to modify the annual software maintenance fee for the PensionGold System, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Cliby seconded by Member Fifield, duly carried, RESOLVED to approve proposal from Levi, Ray and Shoup to modify the annual software maintenance fee for the PensionGold System, hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

CONSIDER RECOMMENDATION FROM THE
INVESTMENT COMMITTEE TO UPDATE
THE INVESTMENT OBJECTIVES AND
POLICY STATEMENT.

Administrator McDivitt briefly reviews the recommendations of the Committee as submitted, responding to questions from Fire & Police Member Burry.

ON MOTION of Member French seconded by Member Lombardi, duly carried, RESOLVED to update to the Investment Objectives and Policy Statement, hereby approved by the following vote:

Ayes: Quick, Lombardi, Balekian, Fifield, French
Noes: None
Abstain: None
Absent: None

ON MOTION of Member Lombardi seconded by Member Guinn, duly carried, RESOLVED to update the Investment Objectives and Police Statement, hereby approved by the following vote:

Ayes: Burry, Fifield, Cliby, Guinn, Lombardi
Noes: None
Abstain: None
Absent: None

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GENERAL DISCUSSION

REPORT FROM THE RETIREMENT
ADMINISTRATOR ON RETIREMENT
PROJECTS AND COMMITTEE ACTION
AGENDAS

Administrator McDivitt reviewed the Committee actions, the update to Asset Allocation Policy, RFP for Actuarial Services, negotiations with Northern Trust, the building acquisition project, custodial transition process, annual audit.

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PENDING ACTION LIST DATED JUNE 30,
2003, FROM RUSS RICHEDA, SALTZMAN &
JOHNSON LAW CORPORATION.

Legal Counsel Russ Richeda introduced report , requesting discussion and comment. There were no comments.

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INFORMATION ONLY ITEMS

REPORT FROM LEGAL COUNSEL
REGARDING SUMMARY OF RE
RETIREMENT CASES

Administrator McDivitt requested comment from legal counsel regarding this issue and Legal Counsel reviewed the report as submitted and discussion followed.

FRESNO CITY EMPLOYEES HEALTH AND
WELFARE TRUST FOR THE REGULAR
BOARD MEETING DATED JUNE 11 AND
JULY 9, 2003 AND MINUTES OF THE
REGULAR BOARD MEETING DATED MAY
14 AND JUNE 11, 2003.

Received.

WEB ARTICLE DATED JUNE 16, 2003,
REGARDING A MASSACHUSETTS PENSION
FUND PLAN TO SUE MELLON FINANCIAL
CORPORATION.

Received.

ARTICLES REGARDING SAN DIEGO
MAYOR CALLS FOR PENSION REFORM
COMMISSION TO EXAMINE CITY
PENSION.

Received.

FRESNO BEE ARTICLE REGARDING LA
COUNTY PENSION BOARD CONFERENCES
HELD IN RESORT LOCATIONS.

Received.

WEB ARTICLE DATED JULY 3, 2003
REGARDING ACTUARY'S COMPUTER
GLITCH FOR SAN LUIS OBISPO PENSION
TRUST.

Received.

PUBLICATIONS FROM THE NATIONAL
CONFERENCE ON PUBLIC EMPLOYEES
RETIREMENT SYSTEMS (NCPERS):
PERSIST , SPRING 2003, VOLUME 14,
NUMBER 2; THE MONITOR, JUNE AND
JULY 2003, PRESIDENT'S ANNUAL
REPORT, NOTICE REGARDING MAJOR
PENSION BILL INTRODUCED IN
CONGRESS (HR 1776).

Received.

PLAN SPONSOR ARTICLE REGARDING A
CALIFORNIA SUPREME COURT RULING
FOR LA COUNTY .

Received.

JULY 14, 2003 RESPONSE LETTER FROM
RUSS RICHEDA TO JEAN PINKERTON
REGARDING ADMINISTRATIVE
COMMITTEE REVIEW OF BOARD POLICY.

Received.

UNSCHEDULED ORAL COMMUNICATIONS

None.

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PROPOSED AGENDA ITEMS FOR NEXT BOARD MEETING

None.

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PUBLIC COMMENTS

None.

ADJOURNMENT – 2:50 p.m.

There being no further business to bring before the Board, and hearing no objections, the Chairs declare the Joint Retirement Board regular meeting adjourned.

Brian Burry, Chair
Fire and Police Retirement Board

William Quick, Chair
Employees Retirement Board

Pattie Laygo
Deputy/ Retirement Board Secretary